

# **LIBERTY HILL ECONOMIC DEVELOPMENT CORPORATION**

## **BUSINESS INCENTIVE PROGRAM**

### **STATEMENT**

The Liberty Hill Economic Development Corporation (LHEDC) has established and funded the Business Incentive Program for the City of Liberty Hill. The program provides performance linked funds for **new or expanding businesses** within Liberty Hill and its extraterritorial jurisdiction (ETJ).

### **OVERVIEW**

This program is designed to encourage new or expanding eligible businesses to undertake responsible, high quality, aesthetically pleasing capital investment projects and to create new jobs within the City of Liberty Hill and surrounding areas with the goal of increasing economic diversity. ***The program is intended for businesses within the city limits and ETJ of the City of Liberty Hill.*** Every incentive approved must meet the requirement that it will promote new or expanded business enterprise within the City or ETJ and that it will benefit the City.

Incentive funds in the form of reimbursement for City permits and fees for eligible capital investment projects and partial salary reimbursement for eligible new jobs created are available for award on a first come, first served basis until total funds appropriated for the cycle are depleted. The annual funding cycle begins October 1st of each year and ends September 30th of the following year in alignment with the EDC's fiscal year.

The annual appropriation for the program for the 2017-2018 fiscal year is \$50,000. Reimbursement of City permits and fees could be up to \$20,000. Job creation incentives could be up to \$500 per position with a maximum of \$5,000.

### **QUESTIONS**

**Business Incentive Program Application questions:** Call LHEDC at 512-778-5449 x113

**Building permit questions:** Call Planning Department at 512-778-5449 x105

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**ELIGIBILITY GUIDELINES**

**All applicants are required to review the following items to ensure eligibility requirements are met.**

**Project Eligibility**

a.     **Capital Investment Incentives:** New facility with a minimum investment by the applicant of \$1 Million or an expansion or remodel of an existing facility with a minimum investment by the applicant of \$500,000

No incentives will be offered for capital investments for businesses that have at the time of the application already started construction, completed renovations or for work covered by insurance. Application must be reviewed and approved before project may begin.

b.     **Job Creation Incentives:** New business or expanding existing business that creates the following number/type of jobs:

| <b>Category</b>                            | <b>Minimum Requirements</b>                                  |
|--|--|
| Retail                                     | 10 jobs<br>\$25,000 average salary<br>\$1 Million Investment |
| New Industry Development                   | 10 jobs<br>\$45,000 average salary<br>\$1 Million Investment |
| Reuse Industry and Expansions (not Retail) | 10 jobs<br>\$45,000 average salary<br>\$500,000 Investment   |

No incentives will be offered for existing businesses within Liberty Hill unless they meet the minimum requirements listed for job creation, average salary and capital investment for reuse industry and expansions

If awarded an incentive, any deviation from the approved project or failure to meet performance requirements may result in total or partial withdrawal of the incentive.

**Complete the Application:** Fill out Business Incentive application form and sign the agreement.

**Projected Hiring Plan and Salary Structure:** A hiring plan and the anticipated yearly payroll projection will be required for determining job creation incentive qualifications. Any incentives offered will be tied to meeting and or exceeding the projected plan. Any shortfall in the number of jobs created or payroll projections may result in a partial or full withdrawal of the incentive.

**Provide Concept Plans:** All applications for capital investment incentives must include a set of plans showing the exterior elevations with the name of the project manager or contractor of the proposed project. Include color or colors for the improvements to be constructed. Acceptable building façade materials include Rock, Stone, Stucco or Architectural foam. The LHEDC does not dictate coloring of improvements however they must be compatible with other Highway 29 properties.

**Provide Project Cost Estimate:** Application must include a written estimate on total capital investment into the project.

**Submit the Application:** Return completed application to City Hall (926 Loop 332) no later than 12 Noon on the first **BUSINESS DAY of the month applicant wishes to be considered for inclusion on the EDC board meeting agenda. Late applications will not be considered until the next EDC Board meeting.**

**Approval Process & Eligibility:** The approval and eligibility process includes the following:

- a) All Business Incentive projects must meet the minimum eligibility requirements to be considered
- b) The LHEDC Board of Directors meets monthly. Pending applicants will be notified of any changes to this schedule as soon as possible. Applicants may be requested to attend to answer questions regarding their incentive application. Notwithstanding anything stated in this application to the contrary, final approval for any incentive shall be vested in the LHEDC Board of Directors and the Liberty Hill City Council.
- c) Only applications properly and fully completed and containing all information required will be considered. Incomplete applications will be returned with a notice of deficiencies.

## **Project Performance**

- a) If a capital investment project is awarded an incentive, the incentive recipient (“Recipient”) must commence construction as described in the application within six (6) months of the site development approval. (is this feasible if we are covering permit and fees)
- b) Recipient must complete the construction as described in the submitted application within twelve (12) months from the date of the award.
- c) When the capital improvement project has been issued a Certificate of Occupancy, the Recipient will present the LHEDC Board with an accounting of the total project cost if the award is for a single payment reimbursement of the permits and fees. Recipients of job creation incentives must have the proposed number of employees hired, supported by payroll records and average salary requirements met by the anniversary of the Certificate of Occupancy date in order to qualify for the incentive.
- d) If the Recipient is unable to complete the project within twelve (12) months of the award, the Applicant must submit a written request for extension of the completion date. However, the extension request MUST be made prior to the twelve (12) months’ time limit. The LHEDC Board is not obligated to allow extensions but may do so for reasonable cause if so determined by the LHEDC Board.
- e) An extension, if granted, will be for the term and conditions determined exclusively by the LHEDC Board. An extension denial cannot be appealed and will be final.
- f) The LHEDC Board and the Liberty Hill City Council shall have sole discretion in awarding any incentive amount, configuration or combination. Applicant has no proprietary right to receive an incentive.
- g) The review criteria may include, but is not limited to, number of jobs created, average salary, capital investment and potential economic impact to Liberty Hill.
- h) Applicant is responsible for obtaining all City permits and City approvals regardless of whether an incentive is awarded for reimbursement of permits and/or fees
- i) An Applicant may attend LHEDC Board meetings at which the Board considers the application, and may be requested to do so by the LHEDC Board. Failure to attend an LHEDC Board meeting when requested shall be cause for rejection of the application.

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**BUSINESS INCENTIVE PROGRAM**

**GENERAL CHECKLIST**

- ☐ Meet with the EDC Director (or their Designee) to determine eligibility and walk through the Business Incentive Program and instructions.
- ☐ Meet with the City's Planning Director and / or Building Inspector for any work which may involve building permits.
- ☐ Complete the incentive application and sign the agreement. (Include ALL required attachments – supporting documentation is a necessity).
- ☐ **Initial Submittal: Submit application and agreement with required attachments by the first business day of the month you wish to be considered for inclusion on the EDC meeting agenda. Scheduling is at the sole discretion of the EDC Director and Board. Submit a digital copy of the application and attachments; applicants need to retain a copy.**
- ☐ You will be notified of the EDC Board meeting date and may be requested to attend in order to answer questions regarding the incentive application.
- ☐ Approval will be granted or denied on the application by the LHEDC Board and will then be forwarded to City Council for final approval. If approved, the application and Agreement will be signed / dated by the LHEDC Board and City Council to validate approval and award.
- ☐ Project construction may commence after final approval. Work must commence within six (6) months of site development approval and be completed within 12 (12) months
- ☐ Applicants may be requested to attend meetings to be recognized as a recipient or awardee of a Business Incentive.